

1 BILL NO. R-88-05-13 (AS AMENDED)

2 RESOLUTION NO. R-

25-88

3 A RESOLUTION OF THE COMMON COUNCIL OF THE
4 CITY OF FORT WAYNE, INDIANA OPPOSING THE
5 RATE INCREASE SUBMITTED BY GTE NORTH,
6 INC.

7 WHEREAS, GTE North, Inc. has requested a 29.3% rate
8 increase, and has made a presentation concerning the proposed
9 rate increase to the Common Council of the City of Fort
10 Wayne, Indiana; and

11 WHEREAS, the increase being requested is apparently
12 due to capital demands to modernize its plant in order to
13 compete for new digital services, while indications are that
14 the average rate payer may not need or want said services;
15 and

16 WHEREAS, the proposal appears to have an impact to
17 residential customers in their basic phone service of an
18 increase of close to 40%, while business customers will be
19 impacted with only an approximate 9% increase; and

20 WHEREAS, the proposed increases will only impact
21 local exchange services to local residences and businesses
22 whose rates are controlled by the Indiana Regulatory
23 Commission. (GTE North, Inc. is not requiring that any of its
24 non-jurisdictional customers, whose rates are not controlled
25 by the Indiana Regulatory Commission, to incur any of the
26 increases); and

27 WHEREAS, GTE North, Inc. testified before the
28 Indiana Regulatory Commission that it was earning only an 11%
29 return from its local exchange services, but that it was
30 earning a return of almost 30% from its non-jurisdictional
31 services; and

32 WHEREAS, GTE North, Inc. has failed to present a
cost of service study to the Common Council which confirms
that its local exchange services provide only an 11% return.

33 NOW, THEREFORE, BE IT RESOLVED BY THE COMMON
34 COUNCIL OF THE CITY OF FORT WAYNE, INDIANA THAT IT RECOMMENDS
35 TO THE INDIANA REGULATORY COMMISSION THAT THE SAID REQUESTED
36 INCREASE BE REFUSED. HOWEVER, SHOULD THE INDIANA REGULATORY
37 COMMISSION DETERMINE THAT A RATE INCREASE IS NECESSARY, IT IS
38 REQUESTED THAT ANY SUCH INCREASE BE MORE IN KEEPING WITH THE
39 TRUE FINANCIAL PICTURE OF GTE NORTH, INC.

Janet G. Bradbury
COUNCILMEMBER

40 APPROVED AS TO FORM
41 AND LEGALITY.

42

Stanley A. Levine
Attorney for Common Council

BILL NO. R-88-05-13

RESOLUTION NO. R-_____

A RESOLUTION OF THE COMMON COUNCIL OF THE
CITY OF FORT WAYNE, INDIANA OPPOSING THE
40% RATE INCREASE SUBMITTED BY GTE NORTH
OF INDIANA.

WHEREAS, GTE North of Indiana has requested a 29.3%
rate increase, and has made a presentation concerning the
proposed rate increase to the Common Council of the City of
Fort Wayne, Indiana; and

WHEREAS, the increase being requested is apparently
due to capital demands to modernize its plant in order to
compete for new digital services, while indications are that
the average rate payer may not need or want said services;
and

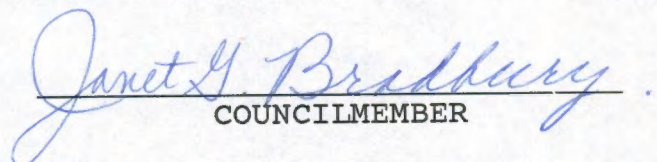
WHEREAS, the proposal appears to have an impact to
residential customers in their basic phone service of an
increase of close to 40%, while business customers will be
impacted with only an approximate 9% increase; and

WHEREAS, the proposed increases will only impact
local exchange services to local residences and businesses
whose rates are controlled by the Indiana Regulatory
Commission. (GTE North of Indiana is not requiring that any
of its non-jurisdictional customers, whose rates are not
controlled by the Indiana Regulatory Commission, to incur any
of the increases); and

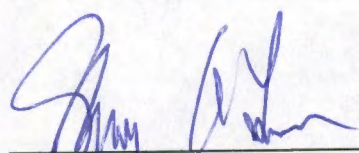
WHEREAS, GTE North testified before the Indiana
Regulatory Commission that it was earning only an 11% return
from its local exchange services, but that it was earning a
return of almost 30% from its non-jurisdictional services;
and

WHEREAS, GTE North has failed to present a cost of
service study to the Common Council which confirms that its
local exchange services provide only an 11% return.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON
COUNCIL OF THE CITY OF FORT WAYNE, INDIANA THAT IT RECOMMENDS
TO THE INDIANA REGULATORY COMMISSION THAT THE SAID REQUESTED
40% INCREASE BE REFUSED. HOWEVER, SHOULD THE INDIANA
REGULATORY COMMISSION DETERMINE THAT A RATE INCREASE IS
NECESSARY, IT IS REQUESTED THAT ANY SUCH INCREASE BE MORE IN
KEEPING WITH THE TRUE FINANCIAL PICTURE OF GTE NORTH OF
INDIANA.


COUNCILMEMBER

APPROVED AS TO FORM
AND LEGALITY.


Stanley A. Levine
Attorney for Common Council

Read the first time in full and on motion by Bradbury, seconded by Redd, and duly adopted, read the second time by title and referred to the Committee on Regulation (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Council Conference Room 128, City-County Building, Fort Wayne, Indiana, on _____, the _____, day of _____, 19_____, at _____ o'clock _____ M., E.S.T.

DATED: _____

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Read the third time in full and on motion by Bradbury, seconded by Stier, and duly adopted, placed on its passage. PASSED ~~LOST~~ by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT
TOTAL VOTES	<u>5</u>		<u>2</u>	<u>2</u>
BRADBURY	<u>✓</u>	<u>✓</u>		
BURNS	<u>✓</u>			
GiaQUINTA				<u>✓</u>
HENRY	<u>✓</u>			
LONG	<u>✓</u>			
REDD			<u>✓</u>	
SCHMIDT				<u>✓</u>
STIER			<u>✓</u>	
TALARICO	<u>✓</u>			

DATED: _____

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (ANNEXATION) _____ (APPROPRIATION) _____ (GENERAL) _____

(SPECIAL) _____ (ZONING MAP) _____ ORDINANCE RESOLUTION NO. 9-25-88
on the 24th day of May, 1988.

Sandra E. Kennedy ATTEST
SANDRA E. KENNEDY, CITY CLERK

SEAL Thomas P. Henry
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 25th day of May, 1988, at the hour of 11:00 o'clock 11 M., E.S.T.

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 26th day of May, 1988, at the hour of 9:40 o'clock A M., E.S.T.

Paul Helmke
PAUL HELMKE, MAYOR

Handwritten:
5/24/88

BILL NO. R-88-05-13

REPORT OF THE COMMITTEE ON REGULATIONS

WE, YOUR COMMITTEE ON REGULATIONS TO WHOM WAS
REFERRED AN (~~ORDINANCE~~) (RESOLUTION) OF THE COMMON
COUNCIL OF THE CITY OF FORT WAYNE, INDIANA OPPOSING THE
40% RATE INCREASE SUBMITTED BY GTE NORTH OF INDIANA

HAVE HAD SAID (~~ORDINANCE~~) (RESOLUTION) UNDER CONSIDERATION
AND BEG LEAVE TO REPORT BACK TO THE COMMON COUNCIL THAT SAID
(~~ORDINANCE~~) (RESOLUTION) Do Pass

YES

NO

Janet G. Bradbury JANET G. BRADBURY
Mark E. GiaQuinta CHAIRPERSON
Charles B. Redd MARK E. GIAQUINTA
David C. Long VICE CHAIRMAN
Paul M. Burns CHARLES B. REDD
DAVID C. LONG
PAUL M. BURNS

CONCURRED IN 5-25-88

Sandra E. Kennedy
City Clerk